

DDP 10975-60

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January 28, 1960

Attention: [REDACTED]

Subject: Contract HF-AP-1940

Gentlemen:

When negotiating rates on the referenced contract we arrived at a man month rate of [REDACTED] for service performed while on location after May 1, 1959. After allowance for fourteen (14) days vacation, five (5) days sick leave and eight (8) holidays, we arrived at a rate of [REDACTED] man days a month or [REDACTED] per man day.

The normal procedure in invoicing, is to refer to the certificate of service which should show the actual number of days worked in a given month, which includes Saturdays and Sundays, but from which is deducted holidays, vacation days and sick leave. This number of days as shown, multiplied by the man day rate, automatically keeps the invoicing correct. We, however, have been requested to invoice at the man month rate, as well as the man day rate in the same month in situations where the duty location changes. This, in my theory, is incorrect, and does not reimburse us for full costs as intended.

A good example will be the two weeks vacation of our [REDACTED]. The contract states in Paragraph III in Appendix I "Vacation will not be considered as time spent in performance of services hereunder and accordingly the Government will not be billed for services or transportation during vacation periods." It also states "The man month rate includes an allowance for 14 calendar days of vacation." However, it is the man day rate which includes these allowances, and not the man month rate.

To correct this oversight, it will be necessary to use the man day rate for all billings. Would you please give this matter your attention and advise me if my thinking is correct.

Very truly yours

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